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**STREET HAVEN AT THE CROSSROADS**

**FINANCIAL STATEMENTS**

**MARCH 31, 2022**

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# Mehhta Professional Corporation

C H A R T E R E D P R O F E S S I O N A L A C C O U N T A N T S

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,  
Street Haven at the Crossroads:

### Opinion

We have audited the financial statements of Street Haven at the Crossroads which comprise the statement of financial position as at March 31, 2022, and the statements of changes in fund balances, operations, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Street Haven at the Crossroads as at March 31, 2022 and the results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Street Haven at the Crossroads' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Street Haven at the Crossroads or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Street Haven at the Crossroads' financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **INDEPENDENT AUDITOR'S REPORT (continued)**

### **Auditor's Responsibilities (continued)**

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Street Haven at the Crossroads' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Street Haven at the Crossroads' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw your attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Street Haven at the Crossroads to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable related safeguards.

*Mehta Professional Corporation*

Chartered Professional Accountants

Licensed to practice public accounting by the Chartered Professional Accountants of Ontario

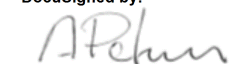
August 29, 2022  
Toronto, Ontario

**STREET HAVEN AT THE CROSSROADS****STATEMENT OF FINANCIAL POSITION****AS AT MARCH 31, 2022**

|  | 2022              |                     |                     | 2021                |                     |
|--|-------------------|---------------------|---------------------|---------------------|---------------------|
|  | <u>General</u>    | <u>Capital</u>      | <u>Reserve</u>      | <u>Total</u>        | <u>Total</u>        |
| <b>ASSETS</b>                            |                   |                     |                     |                     |                     |
| Current assets                           |                   |                     |                     |                     |                     |
| Cash                                     | \$ 1,103,467      | \$ -                | \$ -                | \$ 1,103,467        | \$ 2,120,655        |
| Investments (note 3)                     | -                 | 281,022             | 1,715,116           | 1,996,138           | 397,475             |
| Accounts receivable                      | 26,585            | -                   | -                   | 26,585              | 846                 |
| Government grants and rebates receivable | 120,748           | 59,123              | -                   | 179,871             | 115,820             |
| Prepaid expenses                         | 27,454            | -                   | -                   | 27,454              | 22,852              |
| Interfund (payable)/receivable           | <u>(280,782)</u>  | <u>(19,218)</u>     | <u>300,000</u>      | <u>-</u>            | <u>-</u>            |
|  | 997,472           | 320,927             | 2,015,116           | 3,333,515           | 2,657,648           |
| Capital assets (note 4)                  | <u>-</u>          | <u>2,173,943</u>    | <u>-</u>            | <u>2,173,943</u>    | <u>2,178,442</u>    |
|  | <u>\$ 997,472</u> | <u>\$ 2,494,870</u> | <u>\$ 2,015,116</u> | <u>\$ 5,507,458</u> | <u>\$ 4,836,090</u> |
| <b>LIABILITIES AND FUND BALANCES</b>     |                   |                     |                     |                     |                     |
| Current liabilities                      |                   |                     |                     |                     |                     |
| Accounts payable and accrued liabilities | \$ 300,975        | \$ 35,751           | \$ -                | \$ 336,726          | \$ 193,693          |
| Mortgages payable - current (note 7)     | -                 | 105,952             | -                   | 105,952             | 248,303             |
| Deferred revenue (note 6)                | 82,262            | -                   | -                   | 82,262              | 179,404             |
| Rent deposits                            | <u>8,329</u>      | <u>-</u>            | <u>-</u>            | <u>8,329</u>        | <u>10,688</u>       |
|  | 391,566           | 141,703             | -                   | 533,269             | 632,088             |
| Long-term liabilities                    |                   |                     |                     |                     |                     |
| Mortgages payable - long-term (note 7)   | <u>-</u>          | <u>201,630</u>      | <u>-</u>            | <u>201,630</u>      | <u>183,426</u>      |
|  | <u>391,566</u>    | <u>343,333</u>      | <u>-</u>            | <u>734,899</u>      | <u>815,514</u>      |
| Fund balances                            |                   |                     |                     |                     |                     |
| Internally restricted (note 9)           | -                 | -                   | 2,015,116           | 2,015,116           | 1,712,737           |
| Externally restricted (note 8)           | -                 | 25,377              | -                   | 25,377              | 5,043               |
| Capital reserve fund (note 8)            | -                 | 259,799             | -                   | 259,799             | 290,096             |
| Invested in capital assets               | -                 | 1,866,361           | -                   | 1,866,361           | 1,746,713           |
| Unrestricted                             | <u>605,906</u>    | <u>-</u>            | <u>-</u>            | <u>605,906</u>      | <u>265,987</u>      |
|  | <u>605,906</u>    | <u>2,151,537</u>    | <u>2,015,116</u>    | <u>4,772,559</u>    | <u>4,020,576</u>    |
|  | <u>\$ 997,472</u> | <u>\$ 2,494,870</u> | <u>\$ 2,015,116</u> | <u>\$ 5,507,458</u> | <u>\$ 4,836,090</u> |

Approved by:

DocuSigned by:  
  
 204D1C835C3047A..., Chairperson

DocuSigned by:  
  
 E5029F82FDF941C..., Treasurer

see accompanying notes

**STREET HAVEN AT THE CROSSROADS**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED MARCH 31, 2022**

|   | 2022              |                     |                     | 2021                |                     |
|---|-------------------|---------------------|---------------------|---------------------|---------------------|
|   | <u>General</u>    | <u>Capital</u>      | <u>Reserve</u>      | <u>Total</u>        | <u>Total</u>        |
| Balance, beginning of year                      | \$ 265,987        | \$ 2,041,852        | \$ 1,712,737        | \$ 4,020,576        | \$ 2,339,819        |
| Excess of revenue over<br>expenses for the year | 654,086           | 95,518              | 2,379               | 751,983             | 1,680,757           |
| Amortization                                    | 250,379           | (250,379)           | -                   | -                   | -                   |
| Appropriation                                   | (440,399)         | 140,399             | 300,000             | -                   | -                   |
| Mortgage principal repayments                   | <u>(124,147)</u>  | <u>124,147</u>      | <u>-</u>            | <u>-</u>            | <u>-</u>            |
| Balance, end of year                            | <u>\$ 605,906</u> | <u>\$ 2,151,537</u> | <u>\$ 2,015,116</u> | <u>\$ 4,772,559</u> | <u>\$ 4,020,576</u> |

see accompanying notes

**STREET HAVEN AT THE CROSSROADS****STATEMENT OF OPERATIONS****FOR THE YEAR ENDED MARCH 31, 2022**

|   | 2022              |                  |                 | 2021              |                     |
|---|-------------------|------------------|-----------------|-------------------|---------------------|
|   | <u>General</u>    | <u>Capital</u>   | <u>Reserve</u>  | <u>Total</u>      | <u>Total</u>        |
| <b>REVENUE</b>  |                   |                  |                 |                   |                     |
| Government funding (note 11)                            | \$ 5,064,192      | \$ 98,466        | \$ -            | \$ 5,162,658      | \$ 5,280,046        |
| Donations and fundraising                               | 413,950           | -                | -               | 413,950           | 568,533             |
| United Way  | 198,500           | -                | -               | 198,500           | 223,225             |
| Room and board  | 124,815           | -                | -               | 124,815           | 97,899              |
| Bequests  | 50,931            | -                | -               | 50,931            | -                   |
| Interest and other                                      | <u>4,077</u>      | <u>1,184</u>     | <u>2,379</u>    | <u>7,640</u>      | <u>8,921</u>        |
| Total revenue   | <u>5,856,465</u>  | <u>99,650</u>    | <u>2,379</u>    | <u>5,958,494</u>  | <u>6,178,624</u>    |
| <b>EXPENSES</b>   |                   |                  |                 |                   |                     |
| Salaries and benefits                                   | 3,622,849         | 4,132            | -               | 3,626,981         | 3,437,190           |
| Food and medication                                     | 275,419           | -                | -               | 275,419           | 174,627             |
| Professional services                                   | 246,308           | -                | -               | 246,308           | 37,924              |
| Maintenance   | 163,998           | -                | -               | 163,998           | 110,363             |
| Lease   | 133,159           | -                | -               | 133,159           | 129,653             |
| Household operating and supplies                        | 127,459           | -                | -               | 127,459           | 106,945             |
| Utilities   | 85,026            | -                | -               | 85,026            | 90,306              |
| Office and general                                      | 68,167            | -                | -               | 68,167            | 49,978              |
| Staff education and training                            | 63,883            | -                | -               | 63,883            | 46,706              |
| Transportation and travel                               | 44,924            | -                | -               | 44,924            | 28,170              |
| Communications  | 43,507            | -                | -               | 43,507            | 39,713              |
| Insurance   | 22,789            | -                | -               | 22,789            | 17,997              |
| Realty taxes  | 19,330            | -                | -               | 19,330            | 20,254              |
| Interest, bank charges and sundry                       | 16,702            | -                | -               | 16,702            | 19,006              |
| Resident activity and recreation                        | 11,409            | -                | -               | 11,409            | 8,394               |
| Mortgage interest                                       | 6,659             | -                | -               | 6,659             | 8,535               |
| Promotion and publicity                                 | 412               | -                | -               | 412               | 720                 |
| Amortization  | <u>250,379</u>    | <u>-</u>         | <u>-</u>        | <u>250,379</u>    | <u>171,386</u>      |
| Total expenses  | <u>5,202,379</u>  | <u>4,132</u>     | <u>-</u>        | <u>5,206,511</u>  | <u>4,497,867</u>    |
| <b>EXCESS OF REVENUE OVER<br/>EXPENSES FOR THE YEAR</b> | <u>\$ 654,086</u> | <u>\$ 95,518</u> | <u>\$ 2,379</u> | <u>\$ 751,983</u> | <u>\$ 1,680,757</u> |

see accompanying notes

**STREET HAVEN AT THE CROSSROADS****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED MARCH 31, 2022**

|  | <b>2022</b>                | <b>2021</b>                |
|--|----------------------------|----------------------------|
| <b>OPERATING ACTIVITIES</b>                          |                            |                            |
| Excess of revenue over expenses for the year         | \$ 751,983                 | \$ 1,680,757               |
| Non-cash items                                       |                            |                            |
| Amortization   | 250,379                    | 171,386                    |
| Net change in non-cash working capital items (below) | <u>(50,860)</u>            | <u>249,135</u>             |
| Net cash provided from operations                    | <u>951,502</u>             | <u>2,101,278</u>           |
| <b>INVESTING ACTIVITIES</b>                          |                            |                            |
| Purchase of capital assets                           | (245,880)                  | (95,232)                   |
| Increase in investments                              | <u>(1,598,663)</u>         | <u>(3,325)</u>             |
| Net cash used in investing activities                | <u>(1,844,543)</u>         | <u>(98,557)</u>            |
| <b>FINANCING ACTIVITIES</b>                          |                            |                            |
| Mortgage principal repayments                        | <u>(124,147)</u>           | <u>(122,449)</u>           |
| <b>NET CASH ACTIVITY FOR THE YEAR</b>                | <b>(1,017,188)</b>         | <b>1,880,272</b>           |
| Cash, beginning of year                              | <u>2,120,655</u>           | <u>240,383</u>             |
| <b>CASH , END OF YEAR</b>                            | <b><u>\$ 1,103,467</u></b> | <b><u>\$ 2,120,655</u></b> |
| Net change in non-cash working capital items:        |                            |                            |
| Accounts receivable                                  | \$ (25,739)                | \$ 21,440                  |
| Government grants and rebates receivable             | (64,051)                   | 70,533                     |
| Prepaid expenses                                     | (4,602)                    | (1,880)                    |
| Accounts payable and accrued liabilities             | 143,033                    | (23,235)                   |
| Deferred revenue                                     | (97,142)                   | 179,404                    |
| Rent deposits  | <u>(2,359)</u>             | <u>2,873</u>               |
|  | <u>\$ (50,860)</u>         | <u>\$ 249,135</u>          |

see accompanying notes

# STREET HAVEN AT THE CROSSROADS

## NOTES TO THE FINANCIAL STATEMENTS

**MARCH 31, 2022**

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Street Haven at the Crossroads (Street Haven) is incorporated in Ontario as a not-for-profit charitable organization without share capital. It was founded in 1965 to serve women in need in Toronto. The organization's mandate is to provide assistance to women coping with the effects of poverty, homelessness, unemployment, mental illness, substance abuse or physical or mental abuse, by such means as: accommodation, meals and clothing; health care, counselling and other social support services; and literacy and skills-related training.

Street Haven is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In preparing its financial statements, Street Haven follows Canadian accounting standards for not-for-profit organizations, which is one of the financial reporting frameworks included in Canadian generally accepted accounting principles. The significant accounting policies used are as follows:

#### **Fund accounting**

The financial statements are prepared on a restricted fund accounting basis whereby resources are classified for reporting purposes into funds according to the activity or objective specified.

The General Fund accounts for Street Haven's operating activities, which are financed generally by donations, government funding and grants.

The Capital Fund accounts for Street Haven's properties which are financed generally by donations and government funding.

The Reserve Fund accounts for a contingency reserve for Street Haven (note 9).

#### **Prepaid expenses**

Prepaid expenses are recorded for goods and services that have been paid for but which will be received in a future year. The balance at year end is composed primarily of prepaid insurance.

#### **Investments**

Investments are recorded at fair value plus accrued interest, if any, on the statement of financial position and any change in fair value is recognized as income in the period in which the change occurs.

#### **Capital assets**

Buildings are recorded at cost less accumulated amortization. Interest on debt incurred to finance construction of buildings is capitalized. The cost of building improvements which enhance the service potential of a building are added to the cost of the building. Amortization on buildings is recorded in the General Fund on the straight-line basis at a rate, currently between five and forty years, designed to charge the cost of the building and building improvements over their estimated useful lives.

Where Street Haven leases the land on which a building is located, the cost of the land lease is capitalized and amortized in the General Fund on a straight-line basis over the term of the land lease.



## **STREET HAVEN AT THE CROSSROADS**

### **NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2022**

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Heating ventilation and air conditioning (HVAC) systems, security systems and similar items are capitalized and amortized on a straight-line basis over ten years.

Vehicles and computer equipment, as well as appliances and furnishings, are recorded at cost less accumulated amortization. Amortization on these capital assets is recorded in the General Fund on the straight-line basis at a rate, currently five years, designed to charge the cost of these assets over their estimated useful lives.

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Impairment is assessed by comparing the carrying amount of an asset with its replacement cost. If such an asset is considered impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds its fair value. Any impairment results in a write-down of the asset and a charge to income during the year.

#### **Mortgages payable**

Mortgages payable are carried at amortized cost.

#### **Revenue recognition**

Donations and fundraising revenue are included in revenue in the year in which they are received or receivable if the amount to be received is reasonably determinable and collection is reasonably assured. Government funding and grants for operations are recorded in the year in which expenditures related to a particular program being funded are incurred. Room and board revenue is recognized in the period to which it relates. Government wage subsidies are recorded in the period that the related wages are incurred.

Capital funding and donations are recorded as revenue in the Capital Fund when received or receivable if the amount to be received is readily determinable and collection is reasonably assured. Donations to the Reserve Fund are recognized on the same basis.

#### **Donated materials and services**

The value of donated materials received is not recorded in the accounts unless their value is readily determinable and unless the items would have been purchased had they not been donated. Volunteers contribute many hours per year to assist the organization in carrying out its activities. Because of the difficulty in determining their fair value, contributed services are not recognized in these financial statements.

#### **Use of estimates**

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Examples of estimates are the useful life of capital assets and accrued liabilities.

By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

## **STREET HAVEN AT THE CROSSROADS**

### **NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2022**

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#### **2. FINANCIAL INSTRUMENTS**

##### **Fair value**

Canadian generally accepted accounting principles require that the organization disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date, based on relevant market information and information about the financial instruments.

Investments are carried at market value plus accrued interest, which approximates their fair value.

The carrying amounts for accounts receivable, accounts payable and accrued liabilities on the statement of financial position approximate fair value because of the limited term of these instruments.

##### **Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its long-term debt and accounts payable. The organization expects to meet obligations as they come due primarily from cash flow from operations. If that is insufficient, the organization has access to a line of credit (note 5).

##### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization's main credit risk relates to its accounts receivable. The organization's losses due to credit historically have been minimal.

Periodically, the organization assesses the collectibility of its accounts receivable and provides an allowance for doubtful accounts as appropriate. At March 31, 2022, the allowance for doubtful accounts was nil (nil in 2021).

##### **Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk on certain of its investments which bear interest at variable rates.

The organization is not exposed to interest rate risk on its mortgages payable because interest rates are fixed until the dates that the mortgages come due. The organization will be exposed to interest rate risk upon renewal of these mortgages to the extent that rates fluctuate from those currently in place.

**STREET HAVEN AT THE CROSSROADS****NOTES TO THE FINANCIAL STATEMENTS****MARCH 31, 2022****3. INVESTMENTS**

Investments are held at BMO Nesbitt Burns and RBC and are composed of the following:

|                                    | <u>2022</u>         | <u>2021</u>       |
|------------------------------------|---------------------|-------------------|
| Savings accounts                   | \$ 769,629          | \$ 295,367        |
| Guaranteed investment certificates | <u>1,226,509</u>    | <u>102,108</u>    |
|                                    | <u>\$ 1,996,138</u> | <u>\$ 397,475</u> |

**4. CAPITAL ASSETS**

Capital assets are composed of the following:

|   | <u>Cost</u>         | <u>Accumulated<br/>amortization</u> | <u>2022<br/>Net</u> | <u>2021<br/>Net</u> |
|---|---------------------|-------------------------------------|---------------------|---------------------|
| Land  | \$ 540,000          | \$ -                                | \$ 540,000          | \$ 540,000          |
| 87 Pembroke St. Toronto - House                       | 1,236,993           | 512,501                             | 724,492             | 617,170             |
| 144 Roxborough St. W. Toronto - House                 | 702,068             | 512,828                             | 189,240             | 196,186             |
| 91 Pembroke St. Toronto - House                       | 466,180             | 361,295                             | 104,885             | 117,166             |
| 607 St. Clair Ave. W. Toronto - Apartment<br>Building | 1,490,781           | 1,203,705                           | 287,076             | 333,168             |
| Prepaid lease costs for land at 607 St. Clair<br>Ave. | 250,000             | 204,063                             | 45,937              | 52,500              |
| Vehicles and computer equipment                       | 53,725              | 53,725                              | -                   | -                   |
| Appliances and furnishings                            | 365,834             | 303,869                             | 61,965              | 72,335              |
| HVAC and security systems                             | <u>552,904</u>      | <u>332,556</u>                      | <u>220,348</u>      | <u>249,917</u>      |
|   | <u>\$ 5,658,485</u> | <u>\$ 3,484,542</u>                 | <u>\$ 2,173,943</u> | <u>\$ 2,178,442</u> |

Street Haven leases the land at 607 St. Clair Avenue West upon which it constructed an apartment building. Under the terms of the lease, the land and apartment building will revert to the lessor at the conclusion of the 40 year lease term in 2029.

**5. LINE OF CREDIT**

The organization has a line of credit available up to a maximum of \$200,000, repayable on demand with interest payable monthly at the bank prime rate plus 1.00%. The line of credit is secured by a first collateral charge against the 87 Pembroke Street, Toronto, Ontario property. As at March 31, 2022, the organization had no outstanding balance on this line of credit (nil as at March 31, 2021).

**STREET HAVEN AT THE CROSSROADS****NOTES TO THE FINANCIAL STATEMENTS****MARCH 31, 2022****6. DEFERRED REVENUE**

Street Haven receives government funding and donations for future periods or specific projects. These unspent amounts, which are recorded as deferred revenue on the statement of financial position, are as follows:

|                 | <u>2022</u>      | <u>2021</u>       |
|-----------------|------------------|-------------------|
| City of Toronto | \$ 45,841        | \$ 179,404        |
| Donation        | <u>36,421</u>    | <u>-</u>          |
|                 | <u>\$ 82,262</u> | <u>\$ 179,404</u> |

The continuity of the deferred revenue is as follows:

|   |                    |                    |
|---|--------------------|--------------------|
| Deferred revenue, beginning of year                     | \$ 179,404         | \$ -               |
| General Fund revenue received or receivable in the year | 5,759,323          | 6,320,731          |
| Amount recognized as General Fund revenue               | <u>(5,856,465)</u> | <u>(6,141,327)</u> |
| Deferred revenue, end of year                           | <u>\$ 82,262</u>   | <u>\$ 179,404</u>  |

**7. MORTGAGES PAYABLE**

Mortgages payable are composed of the following:

|  | <u>2022</u>       | <u>2021</u>       |
|--|-------------------|-------------------|
| 1.72% CMHC mortgage due November 1, 2024 repayable at the rate of \$5,902 per month including principal and interest. The land and building at 607 St. Clair Avenue West, Toronto, are pledged as collateral.      | \$ 173,190        | \$ 240,409        |
| 1.628% Scotiabank mortgage due April 1, 2026, repayable at the rate of \$2,429 per month including principal and interest. The land and building at 91 Pembroke Street, Toronto, are pledged as collateral.        | 124,156           | 150,766           |
| 1.915% Scotiabank mortgage due July 1, 2022, repayable at the rate of \$2,569 per month including principal and interest. The land and building at 144 Roxborough Street West, Toronto, are pledged as collateral. | <u>10,236</u>     | <u>40,554</u>     |
|  | 307,582           | 431,729           |
| less current portion   | <u>(105,952)</u>  | <u>(248,303)</u>  |
| Long-term portion  | <u>\$ 201,630</u> | <u>\$ 183,426</u> |

**STREET HAVEN AT THE CROSSROADS****NOTES TO THE FINANCIAL STATEMENTS****MARCH 31, 2022**

Principal payments due in the next four fiscal years are as follows:

|      |                   |
|------|-------------------|
| 2023 | \$ 105,952        |
| 2024 | 97,343            |
| 2025 | 63,477            |
| 2026 | <u>40,810</u>     |
|      | <u>\$ 307,582</u> |

**8. CAPITAL RESERVE FUND**

Under the funding agreement with the Ministry of Health and Long-term Care, Street Haven is required to maintain a capital reserve fund for its portfolio of houses, which consists of the property at 144 Roxborough Street West, the 607 St. Clair Avenue West apartment building property and the property at 91 Pembroke Street. All capital expenditures must be funded from the Capital Fund and not the operating budget. All income earned by the cash and investments of the Capital Fund accrues to the fund.

The Ministry approved partial funding of the capital reserve fund through the capital reserve allowance.

The continuity of the fund is as follows:

|                                | <u>2022</u>       | <u>2021</u>       |
|--------------------------------|-------------------|-------------------|
| Balance, beginning of year     | \$ 290,096        | \$ 320,150        |
| Add: Capital reserve funding   | 13,972            | 13,972            |
| Investment income earned       | 1,184             | 3,062             |
| Less: Capitalized expenditures | (41,321)          | (40,621)          |
| Maintenance                    | -                 | (2,186)           |
| Administration fee             | <u>(4,132)</u>    | <u>(4,281)</u>    |
| Balance, end of year           | <u>\$ 259,799</u> | <u>\$ 290,096</u> |

These restricted funds are included in the Capital Fund balance.

The remaining externally restricted funds in the Capital Fund balance represent unspent contributions from other funders towards specific capital projects.

**9. RESERVE FUND**

This internally-restricted fund operates as a reserve for the organization and requires Board of Director approval to withdraw funds for any purpose. For fiscal 2022, the Board of Directors approved an appropriation of \$300,000 to this fund (\$1,400,000 for fiscal 2021).

**STREET HAVEN AT THE CROSSROADS****NOTES TO THE FINANCIAL STATEMENTS****MARCH 31, 2022****10. COLLECTIVE BARGAINING AGREEMENT**

On July 4, 2005 the Service Employees International Union Local 2 Brewery, General and Professional Workers Union was certified as the bargaining agent of all employees of Street Haven, save and except supervisors, persons above the rank of supervisor, and office and clerical employees.

The current collective agreement expired on December 31, 2021. Subsequent to year end, the organization and the Local signed a memorandum of agreement to renew the collective agreement for the period from January 1, 2022 to December 31, 2024.

**11. GOVERNMENT FUNDING**

Street Haven recognized government funding from the following sources:

|  | <u>2022</u>         | <u>2021</u>         |
|--|---------------------|---------------------|
| Operating:   |                     |                     |
| City of Toronto:   |                     |                     |
| St. James Hotel shelter and catering                         | \$ 1,868,909        | \$ 1,123,076        |
| Shelter  | 1,208,095           | 1,211,084           |
| Homelessness Partnership Initiative                          | 208,174             | 161,144             |
| Outreach and sustainability                                  | 127,035             | 127,035             |
| Pandemic funding   | 92,747              | 134,275             |
| Investing in Neighbourhoods                                  | 20,389              | 54,848              |
| Annex Shelter  | <u>-</u>            | <u>138,926</u>      |
|  | 3,525,349           | 2,950,388           |
| Ontario Ministry of Health and Long-term Care                | 1,177,098           | 1,303,954           |
| Ontario Ministry of Training, Colleges and Universities      | 121,529             | 121,529             |
| Canada Emergency Wage Subsidies                              | 103,950             | 722,396             |
| Toronto Community Housing Corporation                        | 92,125              | 93,675              |
| Ontario Ministry of Community Safety & Correctional Services | 22,465              | 19,554              |
| Other  | 21,676              | 5,638               |
| Federal Emergency Community Support Fund                     | <u>-</u>            | <u>48,940</u>       |
|  | <u>5,064,192</u>    | <u>5,266,074</u>    |
| Capital:   |                     |                     |
| City of Toronto  | 59,123              | -                   |
| Agriculture and Agri-Food Canada                             | 25,371              | -                   |
| Ontario Ministry of Health and Long-term Care                | <u>13,972</u>       | <u>13,972</u>       |
|  | <u>98,466</u>       | <u>13,972</u>       |
|  | <u>\$ 5,162,658</u> | <u>\$ 5,280,046</u> |

## **STREET HAVEN AT THE CROSSROADS**

### **NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2022**

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#### **12. COVID-19**

On March 11, 2020, the World Health Organization declared COVID-19 to be a global pandemic. As a result of emergency measures adopted to combat the spread of COVID-19, some of Street Haven's programs were limited or cancelled at that time.

Street Haven was eligible to receive funding from the federal government under the Canada Emergency Wage Subsidy (CEWS) program whereby Street Haven is entitled to receive up to 75% of an employee's wages up to a set amount per week. Street Haven has received \$103,950 for the year ended March 31, 2022 under the CEWS program (\$722,396 in 2021).

COVID-19 support funding and donations have helped to finance the increased costs associated with the pandemic such as: IPAC and PPE; the transition of many services to virtual platforms; and the enhancement of services in response to the COVID-19 environment. It is anticipated that these costs will be ongoing as the organization manages the outcomes from the pandemic as they are identified and integrated in the organization's regular practice and service delivery.

Depending on the severity and duration of the COVID-19 disruptions, as well as the effectiveness of government responses and continuance of government subsidies, Street Haven's operations and financial results could be significantly impacted in future periods. It is not possible at this time to estimate the magnitude of such future impacts.

#### **13. COMPARATIVE FIGURES**

Certain of the organization's comparative figures have been restated to conform to the method of presentation adopted in 2022.